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February 11, 2003

VIA ELECTRONIC FILING

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: Notice of Ex Parte Presentation
In the Matter of Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers and Implementation of the Local Competition Provisions in the Local Telecommunications Act of 1996, CC Docket Nos. 01-338; 96-98; 98-147

In the Matter of Appropriate Framework for Broadband Access to the Internet Over Wireline Facilities, CC Docket Nos. 02-33; 95-20; 98-10

Dear Ms. Salas,

Yesterday, James Cicconi, General Counsel and Executive Vice President of AT&T, Leonard Cali, Vice President – Law & Director Federal Government Affairs, and I spoke with Commissioner Kathleen Abernathy and Matthew Brill, Senior Legal Advisor to Commissioner Abernathy, concerning matters related to the referenced proceedings. In a separate conversation, David Dorman, Chairman of the Board and Chief Executive Officer of AT&T, also spoke with Commissioner Abernathy concerning these matters.

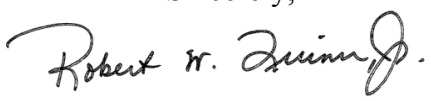
During the course of those discussions, the AT&T representatives reiterated AT&T's view that the record in the referenced proceedings does not support lessened regulation of ILEC broadband services or facilities. We nonetheless acknowledged that some policymakers are interested in granting such deregulation in an effort to foster additional ILEC investment in broadband capabilities. Consistent with AT&T's filings in these proceedings, we explained that such deregulation would retard and not foster investment, and that only competition would drive further investment in

broadband. We also noted that arguments to the contrary are particularly inapplicable to capabilities that already exist or are readily achievable in the current network, and that, even if credited, such arguments, by their own terms, could support nothing more than deregulation for future investments that create additional new bandwidth in the network. We emphasized that such arguments could never justify denying competitors access to loop facilities for current voice and data services, and identified operational and cost barriers to competition that would result if CLECs were relegated to copper facilities as ILECs introduce additional fiber into existing loop plant. We noted, in particular, that were CLECs relegated to copper facilities as ILECs introduce new fiber into existing plant, it would disrupt voice services by introducing the need for unworkable manual provisioning processes in both remote terminals and central offices for moving facilities from fiber to copper feeder plant.

We also underscored that business customers generally lack broadband alternatives to the ILEC facilities, and that attempting to extend lessened regulation to broadband in the business market would create potentially unsustainable definitional constructs in an attempt to distinguish between "broadband" facilities and services subject to deregulation and traditional voice and data telecommunications services provided in the business market. In particular, arguments presented by proponents of lessened regulation do not reach the digital transmission facilities that have been provided for years to business customers, including packetized services and facilities, nor any other service in business market.

The arguments presented in these conversations were consistent with those contained in the Comments, Reply Comments and ex parte filings previously made in the aforementioned dockets. One electronic copy of this Notice is being submitted for each of the referenced proceedings in accordance with the Commission's rules.

Sincerely,



cc: Commissioner Kathleen Abernathy
Matthew Brill